GOVERNOR DIX'S MESSAGE.

Correction of Anomalies in the Banking System by Uniform Regulation.

Recent Treasury Defalcation and Necessity of Compelling Faithfulness to Trusts.

Fraudulent Management of Railroads.

Recommended Curtailment of the Supply Bill.

PROTECTION OF NEW YORK HARBOR.

General fund Contingent Canal	68,000	Sinking Funds	Bettance of Debt After plying Sink ing runds 87.81: 9,822,63 11,350,92
Total	fund debt ived since the bound a to Octob	ber 1, 1873, pays	the fisca

The entire funded debt of the State on the 30th September, 1872, after deducting unappused balances of anking funds, amounted to.

On the 30th September, 1873, the entire funded debt of the State, after a like

Provision was made for the redemptian of this portion of the State debt by deficiency loans, under section 3, article 7 of the constitution.

TAXES.

The State tax levy for the current year amounted to 6 96-100 mils. The total amount of the tax will be \$14,800,903—about five imilions less than the amount levied during the preceding fascal year.

SALT SPRINGS.

The quantity of salt from the Onondags Salt Springs, inspected during the last fiscal year, was 7,859,172 bushels—less by 49,627 bushels than the production of the preceding year. The net revenue from this source was \$21,765 75, showing a falling of as compared with the preceding year of \$12,866 37.

STATE PRISONS.

The following statement shows the expenditures and earnings of each of the prisons for the year ending September 30, 1875:—

Advances Revised Excess of

0, 1873 :—
Advances Reveteed Excess of From the from Expension to \$100,000 to \$100,000 \$20,000 \$30,000

schools. 1,030,360

Number of pupils attending the normal schools.

Number of children of school age attending private schools.

Number of volumes in school district libraries.

Number of persons in the State between the ages of 6 and 21 years.

Number of persons in the State between the ages of 6 and 21 years.

From the reports of the regents of the university, which will be made to you, it will be seen that the condition of the colleges and academies is, in all respects, satisfactory. In the former the course of instruction is censantly adapting itself to the requirements of the age. While discipline and classical studies have never been more thorougaly

uniform. The last bassed institutions have, as a general rule, greater powers than the former, under less restriction, with no uniform external supervision, and with equal liability to basardous risks and ultimate loss. Your consideration is respectfully called to the propriety of passing a general law applicable to all institutions of this class now in operation and requiring any which may be hereafter created to conferm to it.

The New York Loom and indemnity Company, in the published announcement of its powers and purposes, makes the fact conspicuous that it is "sully prepared to carry on a general banking business," It is not doubted that others are engaged in the same transactions, and yet they are, to a great extent, free from the operation of those laws, to which it as the policy of the State to subject other moneyed institutions as custodians of the funds of the citizens of the State, in order to protect the people from loss through mismanagement and fraud. The demand for these charters seems to be increasing, while our legislation, in regard to them, is inharmonious with itself and with the principles which have been deemed sound in respect to institutions of this character. One company is under the supervision of the State Comptroller, another, in a certain sense, of the Bank Supernet Court. These anomalies should be corrected by the adoption of a uniform system of accountability.

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Supreme Court. These anomalies should be corrected by the adoption of a uniorm system of accountability.

Banks.

On the 1st day of October last, 30 banks were doing business under the laws of the State.

During the Dead year, circulating notes to the amount of \$20,972 were destroyed by the Bank Department. One hundred and fitteen banks were credited with lost circulation to the amount, in all, of \$430,913, the time for redeeming the same, after the usual legal notice, having expired.

The amount of circulation outstanding, including that of incorporated banks, banking associations and individual bankers, was, on the 1st day of October last, \$4,60,116 50. Of this amount, the sum of \$656,240 was secured by deposits of cash, stocks, or stocks and mortgares. The residue, being circulation issued prior to the passage of the General isanking law, is not secured by any deposit in the Bank Department.

There were al banks incorporated prior to the enactment of the general banking law that had not, on the 22d of May last, the date of an act to provide for their final closing, taken any steps toward such closing. Tweive of these have since given notice of final closing under the provisions of the set.

During the fiscal year one bank discontinued business and 13 were organized, 11 of which commenced business. Six of these latter were changed from banks organized under the national banking laws.

SAVINGS BANKS.

menced business. Six of these latter were changed from banks organized under the national banking laws.

There were on the 1st of July last 152 savings banks reported to the Bank Department (three or which are closing), with assets aggregating \$314,765,710.

The increase in assets during the six months ended July 1, 1873, amounted to \$9,425,430. The number of persons having deposits in these instintions was, according to the number of open accounts on the 1st day of January, 1873, 822,642, being an increase of 45,642 deposits during the year then ended.

In my annual message in January last, it was recommended that a general law should be passed defining the powers of savings banks and repeating all special privileges in existing charters inconsistent with it. It was also suggested that the amount which any one individual should be allowed to deposit should be limited. These suggestions are renewed, with the further recommendation that these institutions should not be allowed to pay more than five per cent interest on deposits. These deposits exceed \$300,000,000, and the interests involved are so serious that the subject is one of the most important that can engage the attention of the Legislature. The primary consideration is safety, and this can only be secured by the very best investments and by a moderate rate of interest to depositors. Five per cent is releved to be the maximum which these institutions can agerd to pay, if sound rules are applied to their transactions.

It is also recommended that no director or officer of any hank of discount in which its moneys are deposited. Institutions of both classes are in some instances under the same management, and there is always dualege that moneys which are deposited with the former and required to be invested in permanent securities may enter into the ordinary business of the latter and be loaned on the former are catablished on the benefit of persons in monerate circums lances, and every possible precaution should be taken to recure the accomplishment of the

Near the close of the last session of the Legislature the Commissioners of State Parks made their first annual report, in conformity to a direction "to inquire into the expediency of providing for vesting in the State the title to the timbered regions lying within the counties of Lewis, Essex, Climton, Franklin, St. Lawrence, Herkimer and Hamilton, and converting the same into a public park."

Their report contains important views and suggestions in regard to the preservation of the forests in this mountainous district for the supply of water and timber.

They came to no conclusion in regard to the main object of tueir inquiry, but recommend, until the question can be further considered and decided, that the wild lands now owned and held by the State be retained.

In my annual message to the Legislature in January last, allusion was made to the duty of preserving inviolate the sinking funds pledged for the payment of the State debts. By the constitution of the State these funds are required to be "sacredly applied" to that purpose. Any diversion of the moneya belonging to titem to other purposes is a clear violation of this requirement and an act of bad faith to the public creditors, who have made loans to the State on the pidage of these minds for their re-payment. For these minds for their re-payment. For these minds for their re-payment.

The Legislation of these moneys to the expenses of the government; and on the State on the pidage of these minds for their re-payment. For these minds for their re-payment. For these minds for their re-payment. For these minds for the resumption of the state by investing these funds in permanent securities. On these minds for the plants, continuing the service of the minds and because to the continuing the security of the state of the state by investing the security of the state of the sta

city of New York, and to the continued success of c

gratify the wishes of their constituents, has disregarded a restriction which was intended by the constitution as a restraint upon unnecessary legisliation.

Your attention is respectfully and carnestly invoked to this subject, with the assurance that much of your valuable time may be saved, and that you may avoid the hardship of transacting public business at your own expense.

The Supply Bill.

The act annually passed "making appropriations for certain expenses of government, and supplying desciencies in former appropriations," was originally what its title imports, an act to supply deficiencies in preceding appropriations, and usually covered two or three pages of the statute book. Last year it covered 31 pages, and by iar the sarger amount of its appropriations were for ordinary expenses of government, or for objects in no manner answering to the description of denciencies. It is, in fact, to all intents, a second appropriation bill. There is no reason why it should not be made what it was originally, and still professes to be, an act to provide for deficiencies in former appropriations.

I most earnestly and respectfully request that the bill making provision for these objects may be sent to me not taker than the 1st day of March, that full time be afforded me for examining it, and for you to reconsider it if it shall be found to contain matters which ought not, in my judgment, to receive my approval. At the last session of the Legislature it was not passed until the very last moment, and, indeed, the adjournment was delayed for several hours after midnight in order to dispose of it. It is of the greatest importance to make all appropriations for the necessary expenses of government at an early day, and if another bill is required to provide for supplying deficiencies it should be sent to the Governor for approval long enough before the close of the session to enable him to examine it with care, as he would, if he found objectionable items in it after the adjournment, be compelled to approve what he consid

to approve what he considered wrong, or withhold his approval from it altogether, and thus to defeat provisions indispensable to meet urgent public needs.

Among the bills left on my hands by the Legislature was one authorizing the Common Council of one of our cities in the interior of the State to purchase or acquire lands for a public cemetery for its use, and conferring the right to take such lands without the consent of the owner. My approval was withheld from this bill from considerations to which I deem it proper to call your attention.

The right of every individual to be secured in the indisturbed enjoyment of his property lies at the foundation of all responsible government. It is, indeed, one of the primary objects for which governments are insututed. To this inndamental rule there is but one proper exception. If private property is needed for public use it may be taken by making just compensation to the owner; but the use must be one which is common to all or which is indispensable to the accomplishment of sovereignty, and it is one of the most arbitrary of all the powers of government.

In this State it has long been exercised for the purpose of constructing highways, canafs and bridges, and, more recently, for railroads and supplying cities and villages with pure and wholesoffe water. In the latter case it is justified by the fact that the public beaith is directly concerned. Although railroads partake largely of the character of highways and are subject to the common use of the public on terms regulated by law, the delegation to them of the right to take private property for their use without the owner's consent was considered by many as exceedingly questionable, and was not conceded without hesitation by the Legislature. In all these cases there is a necessity, in order to avoid or averoune physical obstacles, for parsung given courses, and the remastation by the powers of the public on the right to take private one making just compensation of one of the first principles of government deemed it j

accessaries these options we make withdraw one arrace to their designinations to make the residue practically redeemable in specie. The result would be to intuse into the circulation a supply of coin on which the government and the banks could draw in cases of emergehay, and avert much of the evil incident to the flectuations of a currency consisting iargely of paper. The Sank of England issues so notes under 22-about 23. The Sank of France issued nous before the war with Germany had nearly \$4,000,000 in gold and silver coin at the commencement of that contest. Without sides a supply of specie to draw upon she could not, without great becambary and commercial diseases, have paid the chormous war that of nearly \$1,000,000,000 in which she was mulcted by the Emperor of Germany.

There are already numerous schemes to remedy existing evils, some of them providing for an acceptance of the commercial diseases, which is the contest of the conte